

BUILDING COMMUNITY

Q&A: Root Learning President Discusses Strategies for Creating a Shared Vision

For over 15 years, Root Learning co-founder Jim Haudan, has worked with hundreds of top-level executives (Fortune 2000 companies) to help shape and deliver strategic plans that engage both the leadership and the employees. The results have caught the attention of such publications as *Harvard Business Review*, *Fast Company* and *Inc* magazine. Root Learning has been named among the top 50 "Best Small & Medium Companies to Work For in America" in 2005 and 2006 by The Great Place to Work® Institute.

During a recent meeting, Haudan discussed examples of how these Fortune 2000 corporations develop, communicate and implement a strategy for change.

What is the primary focus of Root Learning?

Jim Haudan: Root Learning is really a strategic engagement, strategic execution firm.

What we have done in the past is gone into the large global 2000 companies and assisted them in the execution of their strategy. Increasingly what we've been doing over the years, is helping to align the leaders' behaviors and their ownership of that strategy. We have then deployed it throughout the entire organization. Then, we have been able to build the skills and capabilities of individuals throughout the organization to think and act differently behaviorally so that they can create the results the strategy intended to achieve.

That's pretty important for organizations because we find that 75 percent of employees are disengaged and 66 percent of company strategies are not executed.

One of the new ways we are doing that is through eLearning, gaming and simulation. A number of our folks go in and really build skills and capabilities of managers and individuals so that they are not left to really just try to adopt and adapt this new strategy on their own. We see strategic engagement and execution as an overall process where you develop a line of sight from the top of the organization to the bottom.

What is the personnel make-up of your firm?

JH: It's a pretty eclectic group of people. I think by design, we have found over the years that if you put people with common backgrounds together you get ordinary results. If you put people with very different perspectives, backgrounds, skills and capabilities they come at the challenges we face, and our clients face, in a very different way. We have concept artists and we have MBAs. We have programmers and educators. We have people from an experience of being born in China or being a German citizen, or being raised in middle America. The eclectic group we have put together brings a diversity of skills and thought has been one of the hallmarks of the business. It comes down to how can we be strategic AND play games? – Getting at the core senior management issues through cartoons. How do get hard decisions made fast? To do that through visualization rather than decks and decks of reports.



Root Learning President Jim Haudan stands in front of the "Root Illustrated" gallery showcasing portraits of office talent.

As we put these different things together, we find we get breakthrough results as we look at some of the challenges our clients face so that they can implement these strategies.

How do you differentiate your firm from other consulting firms?

JH: On a very basic level. For example, if Dell changed what it took to market in the way of their products and therefore their salesforce had to really understand to no longer sell a product but rather a solution we would be with them through that process helping them to get their people to understand why we're doing it, what we are doing and how they are supposed to do it. We do that all in collaboration with the organization rather than the typical sell or tell fashion.

What is the scope of your clientele?

JH: They tend to be large and across all industries from financial services, to healthcare, retail, energy, technology and manufacturing. It can be as diverse as General Motors just in Asia, or a mine in South Africa, mortgage company in California, a Health System in Texas or it can be governments. We've helped the Hong Kong government launch a global branding strategy for its employees. We've been involved in over 40 languages and 22 million people.

places... in the hallways, the bathroom and at the watercooler.

If they are given a chance and some method how they can take the secret quiet whispering conversations; about what they really think, when it's only safe with people they really know and trust, to where its a way in which they behave and practice to get the strategic issues out of the bathroom and onto the table... people will rally to that. It's just that they haven't understood how to do that nor that it was safe to do that. That itself creates tremendous energy.

So uncovering the elephant in the room, talking about the elephant in the room... it begins to create hope... it begins to create excitement and energy around... We are really going to address some things that are holding back our potential and the company that we are a part of. It's an adrenaline pump. The other part is the creation of something new that doesn't already exist. Both can be high high energy. Now, where you can lose the energy is when you begin to focus on what you need to bring that to life and it doesn't go well. I think that if you view each one of those setbacks as new information to take our capability to the next level. You have to work it. You can't assume because we talked about some issues once that the job is done... we have to figure out how we can do that continually.

Are you trying to convert everyday employees into business people?

JH: What we are really trying to do is to engage people to create business results. There are several ways to look at that but if everyone's work was a self-portrait then most of the portraits aren't getting painted at work, they're getting painted on weekends and evenings. A lot of that has to do with the fact that the stories of the business are not unlocked for people in the business. I often say there is more drama in our business than the *Desperate Housewives*. But for most people it is locked up in strategies that don't make sense, connections to the business that haven't been made clear or misinterpreted and the new skills and capabilities needed are really not ones you go and risk to learn by yourself without any kind of support.

We often ask front line people what they think of the leadership and often their reply is "They are all messed up." We then ask how and they say "They can't make a decision. It's like they have a thousand piece puzzle on their desk and they keep sending us random pieces month after month that say crazy things like CRM, TQM and Lean and we put them all in front of us and say this doesn't make any sense. So we end up concluding that they can't make up their mind and we continue doing what we've been doing. If only they would just send us the top of the puzzle box so we can see what we are building."

With the so-called puzzle box top in front of them, they realize that some of the pieces that are in direct conflict do fit together. It becomes very profound.

Where does the strategy process begin?

JH: As a fundamental principal trends are the raw material for strategy and most start with an assessment of the marketplace. They build upon that and a lot of companies use the concept of a strategy of adjacencies or what are the adjacent opportunities that will help or sustain our growth based on our competencies and abilities and what adjustments need to be made and create a strategy to make the changes through your people.

What is the energy level during these sessions?

JH: I think the energy level is predictable. When we first go in there to make an honest assessment of where we are. The first level of energy is: "This is a bitch session and has no value whatsoever." The second level of energy is: "We are very busy people why should we do this?" The third level of energy is: "This is unfair because it's not a balanced view because sometimes we exaggerate the current truth." Once you break through all of the defense mechanism and get through all the issues it is like somebody pumped the room full of oxygen.

Everybody that I've ever met wants to talk about the real things that they are concerned about. Unfortunately, the real things only get talked about in three

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How do your private sector and public sector clients differ?

JH: The first word that comes to mind is speed. In most cases both are competing for talent, competing for relevance, to create value. Again, speed. The private sector, out of necessity, has many more built in urgent mechanisms whether it's a Wall Street stakeholder mechanism or a decision making mechanism. Outside of speed they are very similar... they both have to adapt to change.

If NW Ohio were a brand how would you describe it?

JH: The first thing that comes to mind would be an attractive quality of life brand. If you are going on the 101 in LA or going the wrong way in traffic in Seattle, you'll see the difference. When you look at the compromises you have to make in some of these cities, you realize how fortunate we are. For our size we have an outstanding foundation of assets like the museum, zoo, symphony and a minor league sports team without all of the unattractive elements that come with it in some of these other cities.

Quality of life for executives is an ever-growing priority for companies trying to attract and develop their employees. We as a community need to build on our strong foundation and those pieces that are unique for a community this size. It could be a much more attractive magnet to employers out of necessity and insight.

How does Root Learning attract talent to come to NW Ohio?

JH: There are two ways to respond to that. We are continually told that we can not get people to get on a commercial plane or their own plane and come to Maumee or Northwest Ohio. We continue to destroy that belief. We've had over 400 company executives come to this facility in 2006. If there is something attractive here they will come.

Secondly, if what we are doing is exciting, futuristic, building something that does not now exist that we are willing to endure individual and organizational sacrifice, I think it will attract more co-conspirators that will also be willing to work maybe where it's a little colder for a few months or a place that doesn't have a professional team right next door, because that's a trade-off they are willing to take.

You have to think of this more as a region and it probably starts up in Ann Arbor. The University of Michigan is a tremendous resource, it's a phenomenal best-in-class university. We leverage that with the talent we bring in, relationships we have with professors and the institution. And quite frankly, a lot of our people live up there. We need to broaden our circle to maybe Cleveland or even Chicago. Chicago is a great city and it's only a days drive, but under any weather conditions commercial travel becomes suspect.

How can the leadership within a community come together with a shared vision?

JH: There is a fascinating thing that we find in business, that I feel you will find in a community too.

There is a very large and famous company, where I was in a meeting with 11 of its high level executives and said, "What

strikes me is that we need to talk about something for a few minutes... while you are some of the brightest individuals I have ever met and I'm not sure what your IQ's are but let's just say they're 150... Collectively your IQ is 26." They haven't figured out how to knit their individual talents together so that the whole is greater than it's pieces.

In other words, the individuals of the senior level management teams might represent different aspects of the business like finance or a business unit and what they have to do is give up their piece so that they own the whole FIRST and their piece SECOND. Now that's easier said than done.

They will have to make trade-offs. That is a very mature, high-performance team that does that. How do these leaders come together to decide on the whole? You usually have to give something up in order to take something back. That takes both a vision and the ability to bring that talent together. The goal would be to create a synergistic force rather than just a mathematical force.

It's no different for a community.

Whenever you bring a group of people together, representing different constituents, it's always an individual agenda versus a group agenda.

What we say with a company is, "What is it that you believe in that you are very passionate about bringing to life that does not now exist, for which you are willing to endure a personal sacrifice to make happen?"

As a region we have to say, what do we care about bringing to life that which does not now exist that any one of us is willing to endure some sacrifice to make happen?

You almost have to come together again and decide what is the inherent contract you are making with one another in order to do this together. It has to be done together. That's the whole point.

With the businesses, we work with, we make them make behavioral contracts with one another. This may sound corny but this is core to their success. People that go into programs for weight loss or alcohol addiction do not stop because it's about the food or the alcohol. They do the powerful behavioral changes because they make commitments to other people.

With the numerous studies completed on the region, why does there seem to be the lack of a clear vision?

We have a couple of things we say a lot... People will tolerate the conclusions of their leaders but act on their own. I think that's true in every country and geography in the world for which we've met. It means it's the responsibility of the leader to translate the drama of the business into stories of the business that are understandable so that people can come to their own conclusions about why we need to change, what we need to change and how they will do it.

We find that 99 percent of the time they will if they are brought in and... they will come up with a better alternative. That's at an individual level.

From a leader level, we have found that leaders will tolerate consultants and then go do what they thought they were supposed to do in the first place. What that inevitably means is that everyone goes off and does something different.